

SENATE BILL 1018
By Bryson

AN ACT to amend Tennessee Code Annotated, Title 49 and Title 67, relative to incentive pay for elementary and secondary school educators and to enact the "Professional Incentive for Educators Act of 2003".

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 5, is amended by adding a new, appropriately designated part as follows:

§ 49-5-5801.

This part may be cited and referred to as the "Professional Incentive for Educators Act of 2003".

§ 49-5-5802.

The purpose of this act is to establish incentive pay plans providing annual bonuses for public elementary and secondary teachers to encourage teachers to:

- (1) Participate fully in the education of their students;
- (2) Enrich student educational opportunities during and outside of the regular school day and year;
- (3) Grow in all aspects of the teaching profession;
- (4) Improve teaching skills and knowledge of subjects taught;

(5) Remain in the teaching profession; and

(6) Increase interaction among teachers and parents.

§ 49-5-5803.

As used in this act, unless the context otherwise requires:

(1) "Bonus period" means a twelve (12) month period in which teachers may accumulate points in order to receive a bonus in pay;

(2) "Commissioner" means the commissioner of the department of education;

(3) "Department" means the department of education; and

(4) "Teacher" means a person employed by an LEA as a teacher, principal, or assistant principal.

§ 49-5-5804.

(a) The commissioner, with the approval of the state board of education, shall formulate an incentive pay plan, to be known as the state Professional Incentive for Educators (PIE) plan. The state PIE plan shall assign points for various activities, both required and voluntary, in which teachers participate. In determining the number of points to award an activity, the commissioner shall consider the value of the activity with regard to teachers' professional performance and development, teachers' effect on students' overall educational performance, teachers' interaction with parents in the educational process, and teacher retention, as well as the goals of the activity and the difficulty of completion of the activity.

(b) Activities for which points will be awarded shall be categorized as follows:

(1) Professional performance, which shall include, but not be limited to:

(A) Daily attendance;

(B) In-service attendance;

(C) Longevity;

(D) Effect of the teacher on student educational progress as measured through value added assessment under title 49, chapter 1, part 6; and

(E) Working with English language learners or special needs students.

(2) Professional development, which shall include, but not be limited to:

(A) Professional position held;

(B) Obtaining or having obtained degrees beyond the minimum degree required for the teacher's position;

(C) Obtaining certification in additional areas;

(D) Obtaining national board certification;

(E) Attending workshops and seminars; and

(F) Teaching in workshops, seminars, and in-service training.

(3) Professional development in technology, which shall include, but not be limited to:

(A) Obtaining training in technology; and

(B) Teaching classes in use of technology.

(4) Student enrichment activities, which shall include, but not be limited to:

(A) Sponsoring student clubs or academic teams;

(B) Coaching intramural sports;

(C) Developing of resource and classroom materials;

(D) Providing educational opportunities for students outside of regular school hours, and

(E) Tutoring students before or after school.

(5) School and system development, which shall include, but not be limited to:

- (A) Serving on school, system, or state committees;
- (B) Writing grants that are funded; and
- (C) Providing support for nonacademic school activities; and

(6) Teacher and parent interaction, which shall include, but not be limited to:

- (A) Conducting conferences with parents;
- (B) Participating in organizations of parents and teachers;
- (C) Involving parents in classroom and extracurricular activities;

and

- (D) Visiting in homes of parents or guardians.

(c) Teachers shall accumulate points during a twelve (12) month bonus period to be fixed by the commissioner. In determining the first bonus period, the commissioner shall take into consideration the different school years as adopted by the LEA's, including alternative school years. Once the first bonus period is fixed, all subsequent bonus periods shall follow the same twelve (12) month schedule.

(d) Prior to commencement of a bonus period, the commissioner, with the approval of the state board of education, may add or remove activities and increase or decrease the number of points to be awarded for an activity, but all activities for which points shall be awarded and the number of points attached to each activity shall be fixed before the beginning of the bonus period.

(e) The commissioner shall develop a state teacher bonus log that shows the activities for which state points will be awarded and the number of state points for each activity. Points shall be awarded under measurable criteria

clearly established by the plan. Teachers and administrators shall not be required to make subjective decisions in determining the number of points to be awarded for a particular activity. Teachers shall record activities in which they have participated and the number of points that each activity is worth in the teacher bonus log. At the end of the bonus period and periodically during the bonus period, principals shall examine state teacher bonus logs maintained by teachers under their supervision. Principals shall verify that each teacher has accurately kept the teacher bonus log. A principal's supervisor shall examine and verify the principal's log. An LEA shall designate a supervisor to examine and verify the log of a teacher working in more than one (1) school or the log of a teacher instructing homebound students. The teacher bonus log may be in electronic format.

§ 49-5-5805.

(a) Each LEA shall develop a local Professional Incentive for Educators plan using the same categories of activities as the state PIE plan developed under § 49-5-5806, but taking into consideration local goals, needs, strengths, and weaknesses. A local PIE plan may include or exclude activities on the state PIE plan. A local PIE plan may include activities other than those in the state PIE plan, such as mentoring of beginning teachers under a locally developed mentoring program; curriculum and resource development specifically geared to local needs; writing grants that are funded for local programs, particularly for improvements in the delivery or use of technology; and local enrichment programs.

(b) Each LEA shall develop a local teacher bonus log similar to the state teacher bonus log, but specifically for recording the activities and associated points for its local PIE plan. Local points shall be awarded under measurable

criteria clearly established by the plan. Teachers and administrators shall not be required to make subjective decisions in determining the number of points to be awarded for a particular activity. Teachers shall record local activities in which they have participated and the number of points that each activity is worth. At the end of the bonus period and periodically during the bonus period, principals shall examine teacher bonus logs maintained by teachers under their supervision. Principals shall verify that each teacher has accurately kept the teacher bonus log. A principal's supervisor shall examine and verify the principal's log. An LEA shall designate a supervisor to examine and verify the log of a teacher working in more than one (1) school or the log of a teacher instructing homebound students. The teacher bonus log for the local PIE plan may be in electronic format.

(c) Teachers shall accumulate points for the local PIE plan during the same twelve (12) month bonus period as the state PIE plan.

(d) Prior to commencement of a bonus period, the LEA may add or remove activities and increase or decrease the number of points to be awarded for an activity, but all activities for which points shall be awarded and the number of points attached to each activity shall be fixed before the beginning of the bonus period.

§ 49-5-5806.

(a) A teacher is eligible for a bonus under the state PIE plan or a local PIE plan only if the teacher is employed by an LEA on the last day of the bonus period.

(b) Total state points for a bonus period in which a teacher has been employed by two (2) or more LEA's shall be the sum of state points accumulated during employment with any LEA.

(c) Total local points for a bonus period in which a teacher has been employed by two (2) or more LEA's shall be the local points accumulated during employment with the LEA with which the teacher is employed on the last day of the bonus period.

§ 49-5-5807.

(a) The state and local PIE plans shall be funded by the tax levied under title 67, chapter 4, part 23, on the privilege of selling state lottery tickets and shares. All revenue from such tax collected during a bonus period, less administrative expenses, shall be divided between the state PIE plan and the local PIE plans. The state PIE plan shall receive fifty percent (50%) of the net revenue. The remaining fifty percent (50%) of the net revenue shall be divided among all participating LEA's, with each LEA receiving a share equal to the ratio of the number of teachers it employed on the last day of the bonus period to the total number of teachers employed by all LEA's on the last day of the bonus period.

(b) Net revenue from tax collected on the privilege of selling state lottery tickets and shares from the commencement of the state lottery to the beginning of the first bonus period shall be divided between the state and local bonus plans in the manner specified in subsection (a) to increase the monies available for teacher bonuses in the first bonus period.

§ 49-5-5808.

After the conclusion of a bonus period, each LEA shall report its total number of state points to the department. The department shall total the state points reported by all LEA's and determine the value of a state point for the bonus period by dividing the amount allocated to the state PIE plan by the total number of state points. Each LEA shall receive funds in the amount of the value

of a state point for the bonus period times the total number of state points reported to the department by the LEA. A teacher shall receive the value of a state point for the bonus period times the number of the teacher's state points for the bonus period as the teacher's bonus from the state PIE plan.

§ 49-5-5809.

After the conclusion of a bonus period, each LEA shall total the number of points earned by teachers under the local PIE plan. The LEA shall determine the value of a local point for the bonus period by dividing the amount allocated to the LEA for its local PIE plan by the total number of local points. Each teacher shall receive the value of a local point for the bonus period times the number of the teacher's local points for the bonus period as the teacher's bonus from the local PIE plan.

§ 49-5-5810.

Bonuses from the state PIE plan and the local PIE plans shall be paid to teachers within ninety (90) days following the close of a bonus period.

§ 49-5-5811.

Funds received by LEA's for the state PIE plan or the local PIE plan shall be used only for teacher pay bonuses under this act.

§ 49-5-5812.

The commissioner is authorized to promulgate rules and regulations to effectuate the purposes of this part. All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act compiled at Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 2. Tennessee Code Annotated, Title 67, Chapter 4, is amended by adding a new, appropriately designated part as follows:

§ 67-4-2301.

As used in this part, unless the context otherwise requires:

(1) "State lottery" means a state lottery authorized by the general assembly pursuant to Article 11, Section 5 of the Constitution of Tennessee, and operated either directly by the state or by any entity acting for the state. "State lottery" shall not include any event conducted by an organization exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code and approved by the general assembly pursuant to Article 11, Section 5 of the Constitution of Tennessee.

(2) "State lottery ticket or share" means any tangible or intangible evidence of participation in a game run by the state lottery.

§ 67-4-2302.

(a) The state tax imposed by this part shall be the exclusive tax levied on the privilege of selling state lottery tickets and shares. No local government may impose any additional tax, fee, or assessment of any kind on the privilege of selling state lottery tickets or shares.

(b) The supervision and collection of the taxes imposed by this part are under the direction of the department of revenue. The commissioner of revenue is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act compiled at Tennessee Code Annotated, Title 4, Chapter 5.

(c) The tax imposed by this part shall be administered and collected in the same manner as the taxes levied under title 67, chapter 6.

§ 67-4-2303.

(a) For the exercise of the privilege of selling a state lottery ticket or share, a tax is levied at the rate of ten percent (10%) of the sales price of a state lottery ticket or share, when sold by a lottery retailer in this state.

(b) The lottery retailer shall collect the tax imposed by this part from the purchaser of a state lottery ticket or share.

§ 67-4-2304.

All revenue received by the commissioner from the tax imposed by this part less reasonable cost of collection and administration by the department of revenue shall be deposited in the state general fund and shall be earmarked and allocated to fund the teacher incentive pay plans under the Professional Incentive for Educators Act of 2003.

§ 67-4-2305.

The state agency or entity operating the state lottery or any entity acting for the state of Tennessee in the operation of the state lottery shall report to the department the monthly total sales of lottery tickets or shares by each lottery retailer and shall provide such other information and assistance needed by the department to collect and administer the tax levied by this part.

SECTION 3. The provisions of this act shall not be construed to be an appropriation of funds and no funds shall be obligated or expended pursuant to this act unless such funds are specifically appropriated by the general appropriations act.

SECTION 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 5. This act shall take effect July 1, 2003, the public welfare requiring it.